



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

FEB - 8 2019

OFFICE OF  
INSPECTOR GENERAL

The Honorable Mick Mulvaney  
Director  
Office of Management and Budget  
Executive Office of the President  
725 17<sup>th</sup> Street, NW  
Washington, D.C. 20503

Dear Mr. Mulvaney:

Pursuant to Section 6(g)(3) of the Inspector General Act of 1978, as amended, I am submitting comments concerning the President's proposed fiscal year (FY) 2020 budget for the U.S. Environmental Protection Agency's (EPA's) Office of Inspector General (OIG). Section 6(g)(3) of the Inspector General Act of 1978 provides that:

The President shall include in each budget of the United States Government submitted to Congress—(E) any comments of the affected Inspector General with respect to the proposal if the Inspector General concludes that the budget submitted by the President would substantially inhibit the Inspector General from performing the duties of the office.

The President's proposed FY 2020 budget would create a significant challenge for the EPA OIG's ability to accomplish its mission. The President's FY 2020 budget proposes a \$48 million funding level for the EPA OIG, which is \$2.3 million less than our \$50.3 million FY 2018 enacted appropriations.

The proposed FY 2020 funding level would have a negative impact on our production capacity and our ability to respond to ever-demanding and increased workload requirements. As such, I do not agree with the President's budget request, because such a proposal would substantially inhibit the OIG from fully performing its duties. These duties are to conduct audits and investigations of EPA programs and operations; promote economy, efficiency and effectiveness in the administration of those programs; and detect and prevent waste, fraud and abuse.

The EPA OIG's primary products are audits, evaluations and investigations of EPA programs and operations. Such activity is labor intensive and most of our budget goes to pay for the salaries of our 259 employees. The EPA OIG also is obligated to carry out many audits mandated by statute, which necessarily reduces our resources to conduct discretionary audits.

While the EPA OIG tries to balance its workload with a tight annual budget of \$50.3 million, the proposed budget of \$48 million would further hinder our ability to perform discretionary audits and evaluations. The discretionary work that we do fulfills our obligation under the IG Act in keeping EPA

leadership and Congress apprised of problems and deficiencies relating to the agency's programs and operations, provides valuable management tools to EPA leadership, and produces a positive return on investment to taxpayers. The impact of a \$48 million budget would create great risk for the agency and reduce taxpayers' return on investment.

The EPA is currently a "lightning rod" for criticism across the political spectrum, with citizens, Congress and interest groups arguing either that the agency has gone too far, or that the agency has not gone far enough in interpreting and executing its statutory authority. As a result, the EPA OIG receives multiple and varied inquiries to review EPA actions or inaction. During the past fiscal year, requests for our services far exceeded our ability to handle them. For example, we had to inform congressional requesters and others that we could either not undertake their requested review, only do a portion of the requested work or try to do the requested work eventually. These requests include projects that we believe have significant value. However, we were forced to forego them because our lack of resources resulted in a diminished capacity to adequately respond.

I respectfully request that the President's budget recognize the important work that the EPA OIG continues to perform and the increased risk to the EPA and its mission if our funding levels are reduced to \$48 million. I request that the EPA OIG's initial budget request of \$58 million be recognized. If our budget request is not going to be recognized, pursuant to Section 6(g)(3)(E) of the IG Act, these comments should then be included when the President's budget is transmitted to Congress.

If you or your staff have any questions or would like to meet to discuss this matter, please feel free to contact me at (202) 566-0847 or at [Sheehan.Charles@epa.gov](mailto:Sheehan.Charles@epa.gov).

Sincerely,



Charles Sheehan  
Acting Inspector General

cc: Michael Horowitz, Chair, Council of the Inspectors General on Integrity and Efficiency  
Matthew Z. Leopold, General Counsel, EPA  
Holly W. Greaves, Chief Financial Officer, EPA